

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH


NOTICE OF PROPOSED POLICY

Public Act 280 of 1939, as amended, and consultation guidelines for Medicaid policy provide an opportunity to review proposed changes in Medicaid policies and procedures.

Please review the policy summary and the attached materials that describe the specific changes being proposed. Let us know why you support the change or oppose the change.

Submit your comments to the analyst by the due date specified. Your comments must be received by the due date to be considered for the final policy bulletin.

Thank you for participating in the consultation process.



Director, Program Policy Division
Bureau of Medicaid Policy and Actuarial Services

Project Number:	0910-DME	Comments Due:	April 2, 2009	Proposed Effective Date:	As Indicated
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Mail Comments to: Toni Hornberger
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Policy Subject: HCPCS U4 Modifier for Certain Durable Medical Equipment for Beneficiaries Under the Age of 21; Coverage of New HCPCS Procedure Code – K0739

Affected Programs: Medicaid, CSHCS

Distribution: Medical Suppliers

Policy Summary: This policy establishes a billing enhancement for special pricing of certain Healthcare Common Procedure Coding System (HCPCS) codes for beneficiaries under age 21. The Michigan Department of Community Health (MDCH) will also be covering the new HCPCS procedure code - K0739.

The public comment portion of this policy promulgation process is being conducted concurrently with the implementation of this change.

Purpose: This billing enhancement will permit use of the proper HCPCS code and authorization of a unique payment rate for the item and will eliminate the need to use a Not Otherwise Classified code.

Michigan Department of Community Health

Bulletin Number: MSA 09-15

Distribution: Medical Suppliers

Issued: March 1, 2009

Subject: Healthcare Common Procedure Coding System (HCPCS) U4 Modifier for Certain Durable Medical Equipment for Beneficiaries Under the Age of 21; Coverage of New HCPCS Procedure Code – K0739

Effective: As indicated

Programs Affected: Medicaid, Children's Special Health Care Services (CSHCS), Children's Home and Community Based Services Waiver Program (CWP)

HCPCS U4 Modifier for Durable Medical Equipment (DME) Procedure Codes

Effective for dates of service on or after January 1, 2009, Medicaid established the use of the HCPCS U4 modifier to identify special authorized payment amounts for selected DME HCPCS procedure codes for beneficiaries under the age of 21. Providers may request prior authorization of the designated HCPCS procedure code using the U4 modifier published in the Medical Supplier database. This billing enhancement will permit use of the proper HCPCS code and authorization of a unique payment rate for the item and will eliminate the need to use a "Not Otherwise Classified" (NOC) code. This process will only be applied to the pediatric products identified by the Michigan Department of Community Health (MDCH). Please note that MDCH reserves the right to set a reimbursement limit on any procedure code, including procedures with modifiers.

If the selected HCPCS procedure code does not otherwise require prior authorization or exceptional pricing review, providers may continue to submit claims using the standard billing procedures.

The following HCPCS codes have been designated for U4 modifier prior authorization procedures for beneficiaries under the age of 21:

E0135	E0148	E0157	E0240
E0140	E0149	E0158	E0625
E0141	E0153	E0159	E0950
E0143	E0154	E0163	E0955
E0144	E0155	E0167	E0960
E0147	E0156	E0175	E0978

Any additional procedure codes approved for the U4 modifier will be published on the Medical Supplier database that is posted on the MDCH website: www.michigan.gov/medicaidproviders >> Billing and Reimbursement >> Provider Specific Information >> Medical Suppliers/Orthotists/Prosthetists/DME Dealers.

April 2009 HCPCS Procedure Code Update

Effective for dates of service on or after April 1, 2009, MDCH will be covering the new HCPCS procedure code - K0739 (Repair or Non-routine Service for DME other than oxygen requiring the skill of a technician, labor component, per 15 minutes) and will end-date the existing HCPCS code of E1340.

Public Comment

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the change noted in this bulletin. Any interested party wishing to comment on the change may do so by submitting comments in writing to:

Attn: Toni Hornberger
MDCH/MSA
PO Box 30479
Lansing, Michigan 48909-7979
Or
E-mail: hornbergert@michigan.gov

If responding by e-mail, please include "U4 Modifier Policy" in the subject line.

Comments received will be considered for revisions to the change implemented by this bulletin.

Manual Maintenance

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved



Stephen Fitton, Acting Director
Medical Services Administration